

percentage and the percentage that such qualified employee's wages in excess of \$25,000 bears to \$5,000.

“(e) DEFINITIONS.—For purposes of this section—

“(1) QUALIFIED SMALL EMPLOYER.—The term ‘qualified small employer’ means any employer (as defined in section 2(b)(2) of the Small Employers Health Benefits Program Act of 2006) which—

“(A) is a participating employer (as defined in section 2(b)(5) of such Act),

“(B) pays or incurs at least 60 percent of the qualified employee health insurance expenses of each qualified employee for self-only coverage, and

“(C) pays or incurs at least 50 percent of the qualified employee health insurance expenses of each qualified employee for all other categories of coverage.

“(2) QUALIFIED EMPLOYEE HEALTH INSURANCE EXPENSES.—

“(A) IN GENERAL.—The term ‘qualified employee health insurance expenses’ means any amount paid by an employer for health insurance coverage under such Act to the extent such amount is attributable to coverage provided to any employee while such employee is a qualified employee.

“(B) EXCEPTION FOR AMOUNTS PAID UNDER SALARY REDUCTION ARRANGEMENTS.—No amount paid or incurred for health insurance coverage pursuant to a salary reduction arrangement shall be taken into account under subparagraph (A).

“(3) QUALIFIED EMPLOYEE.—

“(A) DEFINITION.—

“(i) IN GENERAL.—The term ‘qualified employee’ means, with respect to any period, an employee (as defined in section 2(b)(1) of such Act) of an employer if the total amount of wages paid or incurred by such employer to such employee at an annual rate during the taxable year exceeds \$5,000 but does not exceed \$30,000.

“(ii) ANNUAL ADJUSTMENT.—For each taxable year after 2007, the dollar amounts specified for the preceding taxable year (after the application of this subparagraph) shall be increased by the same percentage as the average percentage increase in premiums under the Federal Employees Health Benefits Program under chapter 89 of title 5, United States Code for the calendar year in which such taxable year begins over the preceding calendar year.

“(B) WAGES.—The term ‘wages’ has the meaning given such term by section 3121(a) (determined without regard to any dollar limitation contained in such section).

“(f) CERTAIN RULES MADE APPLICABLE.—For purposes of this section, rules similar to the rules of section 52 shall apply.

“(g) CREDITS FOR NONPROFIT ORGANIZATIONS.—Any credit which would be allowable under subsection (a) with respect to a qualified small business if such qualified small business were not exempt from tax under this chapter shall be treated as a credit allowable under this subpart to such qualified small business.”.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting before the period “, or from section 36 of such Code”.

(2) The table of sections for subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by striking the last item and inserting the following new items:

“Sec. 36. Small business employee health insurance expenses

“Sec. 37. Overpayments of tax”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2006.

#### SEC. 16. EFFECTIVE DATE.

Except as provided in section 10(e), this Act shall take effect on the date of enactment of this Act and shall apply to contracts that take effect with respect to calendar year 2007 and each calendar year thereafter.

#### AMENDMENTS SUBMITTED AND PROPOSED

SA 2910. Mr. FRIST submitted an amendment intended to be proposed to amendment SA 2899 proposed by Mr. KYL (for himself and Mr. ENSIGN) to the bill S. 2320, to make available funds included in the Deficit Reduction Act of 2005 for the Low-Income Home Energy Assistance Program for fiscal year 2006, and for other purposes; which was ordered to lie on the table.

SA 2911. Mr. FRIST submitted an amendment intended to be proposed to amendment SA 2899 proposed by Mr. KYL (for himself and Mr. ENSIGN) to the bill S. 2320, supra; which was ordered to lie on the table.

SA 2912. Mr. FRIST submitted an amendment intended to be proposed to amendment SA 2899 proposed by Mr. KYL (for himself and Mr. ENSIGN) to the bill S. 2320, supra; which was ordered to lie on the table.

SA 2913. Ms. SNOWE (for herself and Mr. SMITH) submitted an amendment intended to be proposed to amendment SA 2899 proposed by Mr. KYL (for himself and Mr. ENSIGN) to the bill S. 2320, supra.

SA 2914. Ms. SNOWE submitted an amendment intended to be proposed to amendment SA 2899 proposed by Mr. KYL (for himself and Mr. ENSIGN) to the bill S. 2320, supra; which was ordered to lie on the table.

SA 2915. Ms. SNOWE submitted an amendment intended to be proposed to amendment SA 2899 proposed by Mr. KYL (for himself and Mr. ENSIGN) to the bill S. 2320, supra; which was ordered to lie on the table.

SA 2916. Ms. SNOWE submitted an amendment intended to be proposed to amendment SA 2899 proposed by Mr. KYL (for himself and Mr. ENSIGN) to the bill S. 2320, supra; which was ordered to lie on the table.

SA 2917. Ms. SNOWE submitted an amendment intended to be proposed to amendment SA 2899 proposed by Mr. KYL (for himself and Mr. ENSIGN) to the bill S. 2320, supra; which was ordered to lie on the table.

SA 2918. Ms. SNOWE submitted an amendment intended to be proposed to amendment SA 2906 submitted by Ms. SNOWE and intended to be proposed to the bill S. 2320, supra; which was ordered to lie on the table.

SA 2919. Ms. SNOWE submitted an amendment intended to be proposed to amendment SA 2905 submitted by Ms. SNOWE and intended to be proposed to the bill S. 2320, supra; which was ordered to lie on the table.

SA 2920. Ms. SNOWE submitted an amendment intended to be proposed to amendment SA 2905 submitted by Ms. SNOWE and intended to be proposed to the bill S. 2320, supra; which was ordered to lie on the table.

SA 2921. Ms. SNOWE submitted an amendment intended to be proposed to amendment SA 2906 submitted by Ms. SNOWE and intended to be proposed to the bill S. 2320, supra; which was ordered to lie on the table.

SA 2922. Ms. SNOWE submitted an amendment intended to be proposed to amendment SA 2905 submitted by Ms. SNOWE and intended to be proposed to the bill S. 2320, supra; which was ordered to lie on the table.

SA 2923. Mrs. HUTCHISON submitted an amendment intended to be proposed to amendment SA 2899 proposed by Mr. KYL (for himself and Mr. ENSIGN) to the bill S. 2320, supra; which was ordered to lie on the table.

SA 2924. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 2349, to provide greater transparency

in the legislative process; which was ordered to lie on the table.

SA 2925. Mr. VITTER submitted an amendment intended to be proposed by him to the bill S. 2349, supra; which was ordered to lie on the table.

SA 2926. Mr. CRAIG submitted an amendment intended to be proposed by him to the bill S. 2349, supra; which was ordered to lie on the table.

SA 2927. Mr. KERRY submitted an amendment intended to be proposed by him to the bill S. 2349, supra; which was ordered to lie on the table.

SA 2928. Mr. KERRY submitted an amendment intended to be proposed by him to the bill S. 2349, supra; which was ordered to lie on the table.

SA 2929. Mr. OBAMA (for himself and Mr. COBURN) submitted an amendment intended to be proposed by him to the bill S. 2349, supra; which was ordered to lie on the table.

SA 2930. Mr. OBAMA (for himself and Mr. COBURN) submitted an amendment intended to be proposed by him to the bill S. 2349, supra; which was ordered to lie on the table.

SA 2931. Mr. OBAMA (for himself and Mr. COBURN) submitted an amendment intended to be proposed by him to the bill S. 2349, supra; which was ordered to lie on the table.

SA 2932. Mr. REID proposed an amendment to the bill S. 2349, supra.

#### TEXT OF AMENDMENTS

SA 2910. Mr. FRIST submitted an amendment intended to be proposed to amendment SA 2899 proposed by Mr. KYL (for himself and Mr. ENSIGN) to bill S. 2320, to make available funds included in the Deficit Reduction Act of 2005 for the Low-Income Home Energy Assistance Program for fiscal year 2006, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 1, strike line 7 and all that follows through page 2, line 5, and insert the following:

(A) by striking “for a 1-time only obligation and expenditure”;

(B) in paragraph (1), by striking “\$250,000,000 for fiscal year 2007” and inserting “\$500,000,000 for fiscal year 2006”; and

(C) in paragraph (2), by striking “\$750,000,000 for fiscal year 2007” and inserting “\$500,000,000 for fiscal year 2006”;

SA 2911. Mr. FRIST submitted an amendment intended to be proposed to amendment SA 2899 proposed by Mr. KYL (for himself and Mr. ENSIGN) to bill S. 2320, to make available funds included in the Deficit Reduction Act of 2005 for the Low-Income Home Energy Assistance Program for fiscal year 2006, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 1, strike line 7 and all that follows through page 2, line 5, and insert the following:

(A) by striking “for a 1-time only obligation and expenditure”;

(B) in paragraph (1), by striking “\$250,000,000 for fiscal year 2007” and inserting “\$500,000,000 for fiscal year 2006”; and

(C) in paragraph (2), by striking “\$750,000,000 for fiscal year 2007” and inserting “\$500,000,000 for fiscal year 2006”;

SA 2912. Mr. FRIST submitted an amendment intended to be proposed to amendment SA 2899 proposed by Mr. KYL (for himself and Mr. ENSIGN) to the bill S. 2320, to make available funds included in the Deficit Reduction Act of